



**SPECIALITY**  
**RESTAURANTS LTD.**

Morya Land Mark – 1, 4th Floor, B-25, Veera Industrial Estate, Off New Link Road, Andheri (W), Mumbai - 53  
Tel No. (022) 62686700 Website. www.speciality.co.in

June 6, 2018

To,

✓ **General Manager,**  
**Listing Department,**  
**BSE Limited,**

P.J. Tower, Dalal Street, Mumbai - 400 001.

**Vice President,**

**Listing Department,**

**National Stock Exchange of India Limited,**

'Exchange Plaza', Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

**Scrip Code: 534425**

**Scrip Code: SPECIALITY**

Dear Sir/ Madam,

**Sub: Revision in Rating by CRISIL**

This is in relation to the intimation dated May 17, 2018 in respect of revision in rating of Speciality Restaurants Limited (the "**Company**") by CRISIL. In this regard, the detailed rationale provided by CRISIL is provided below:

*"CRISIL has downgraded its ratings on the bank loan facilities of Speciality Restaurants Ltd (SRL) to '**CRISIL A-/Negative/CRISIL A2+**' from '**CRISIL A/Negative/CRISIL A1**'.*

*The downgrade reflects continued weakening in the company's business risk profile due to substantially weak operating performance. Operating margin declined to 0.3% in fiscal 2017 and is estimated at 2% in fiscal 2018, significantly lower than expectation. Revival of operating margins is expected to take significantly longer than earlier expected.*

*The margin declined on account of weak economic conditions, longer gestation period for new restaurants, and the company's inability to revise menu prices despite high food inflation. Management's revamp strategy is taking longer than expected to revive the operating performance. Steady revival of operating margin and sustained market position will remain key monitorables.*

*The financial risk profile is expected to remain robust, because of healthy capital structure and debt protection metrics indicated by nil debt and surplus funds in the form of mutual funds of around Rs.70 crore as of February 2018.*

*The ratings continue to reflect SRL's established market position with strong brands and wide geographic reach, extensive experience of the promoter in the restaurant industry, and robust financial risk profile. These strengths are partially offset by susceptibility to economic cycles and exposure to intense competition in the highly fragmented industry."*

The rated facility has not been availed and there is no amount outstanding in the books of accounts of the Company.

We request you to kindly take the above on record.

For Speciality Restaurants Limited

  
Avinash Kishikar

**Company Secretary & Legal Head**

Registered Office : 'Uniworth House' 3A Gurusaday Road, Kolkata - 700019.

CIN: L55101WB1999PLC090672. Tel. No. (91 33) 2283 7964/65/66. Fax No. (91 33) 2280 9282.

Email: corporate@speciality.co.in